

# Oregon's Road Usage Charge Program

**Tri-State Commission** 

Maureen Bock, OReGO Program Manager Oregon Dept. of Transportation June 17, 2016



### History of User-Pays in Oregon:

#### 1919

Oregon
Legislature
enacts the
nation's first
gas tax.

#### 1943

Oregon passes Use Fuel Taxes for nongasoline fuels.

#### **1947**

Oregon enacts weight-mile tax for commercial vehicles in excess of 20,000 pounds.

#### 2001

Oregon forms
the Road User
Fee Task Force
to explore
new ways of
funding the
state's
transportation
system.

#### 2006-2007

First Road User Fee Pilot Program. 300 vehicle test.

#### 2012-2013

Oregon
welcomes
88
volunteers
for a Road
Usage
Charge Pilot
Program







# SB 810 (2013) - Road Usage Charge Program

Fully operational for up to 5,000 vehicles

1.5 cents per mile

Fuel tax credit

Mileage reporting choices

GPS not required

Open system

Private sector administration option

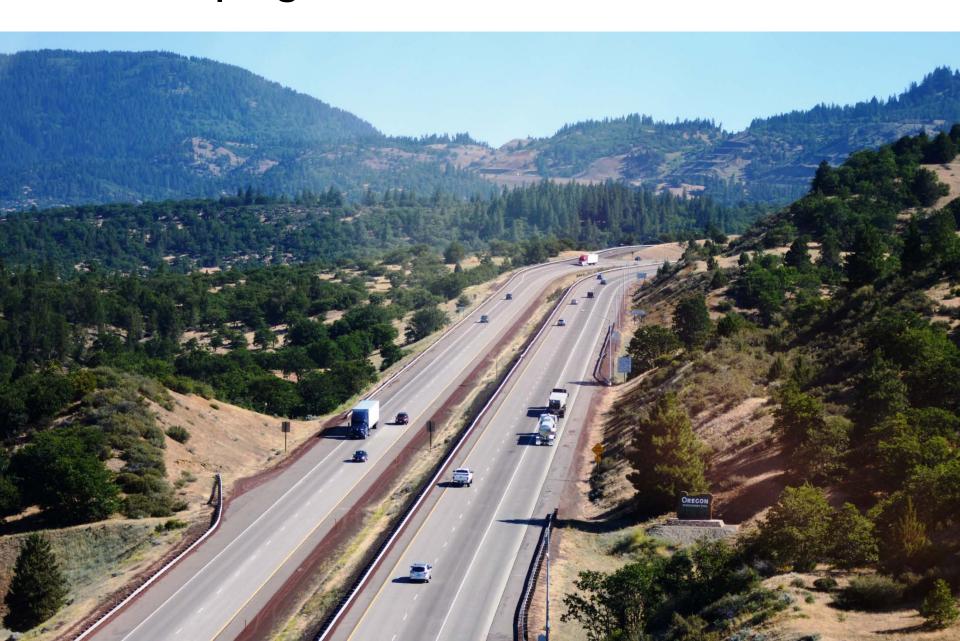
Penalties for fraud

Protects personally identifiable information





# How the program works



## What is a Road Usage Charge?

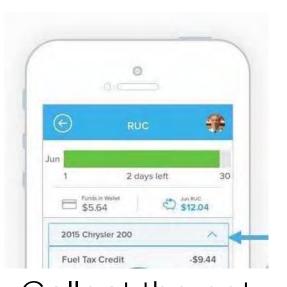
A fee charged for the distance a vehicle is driven



Collect fuel tax as a prepayment of RUC



Count the miles and multiply by the rate

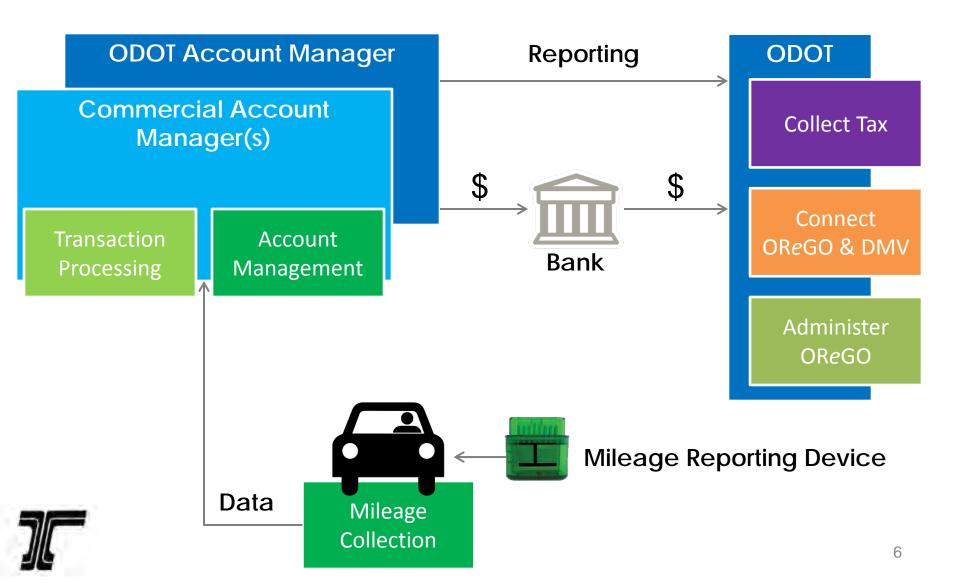


Collect the net tax or...
refund the difference



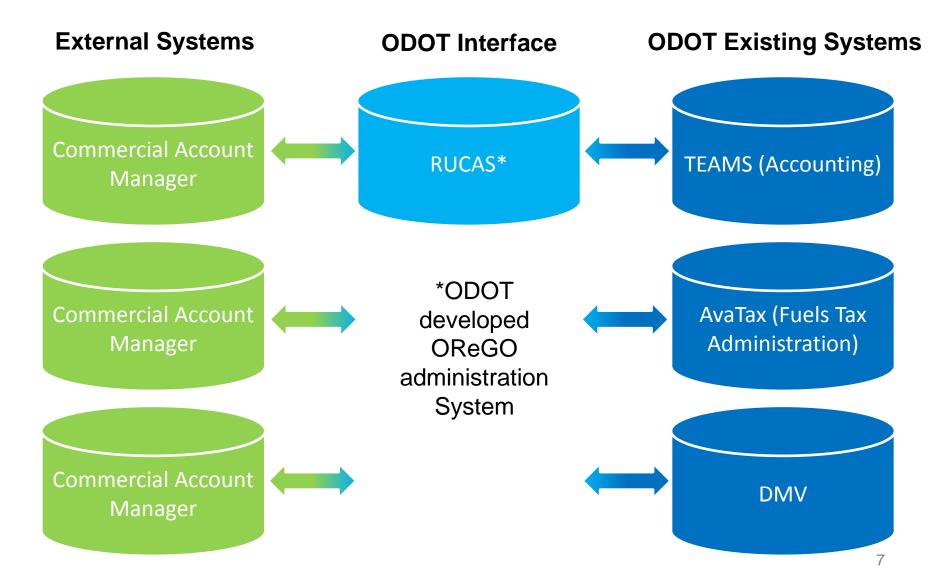
### **Oregon Road Usage Charging**

Open system concept



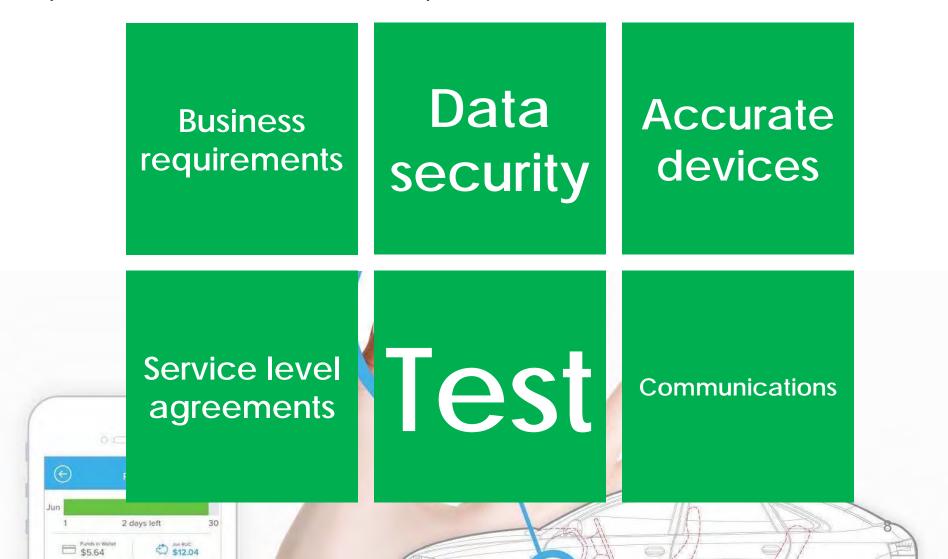
#### Open System

Uses non-proprietary standards



### **Certification of Account Managers**

Ensures account managers can deliver services to the public in a secure, acceptable manner



#### **Operations Overview**



### **Privacy protection**

Deployed solution must:

Provide mileage reporting choices

GPS not required

Allow private sector account management Protect personally identifiable information





## **Ongoing Work**

Resolve volunteer issues and Inquiries

Conduct volunteer exit surveys

Certify Azuga Basic

Refine processes and requirements

**Enhance RUCAS** 

Rewrite Oregon Administrative Rules

Certify Sanef as a CAM

Ongoing

Ongoing

Ongoing

Ongoing

Ongoing

**Started** 

**Started** 



# **Volunteer Experience**

#### Sign Up



Sign up and select mileage reporting method



Install/activate mileage reporting device



Drive



### **Volunteer Experience**

Payment

Account settlement (varies by account manager)

Nature of billing

Timing of payment

Method of payment



# **National Recognition**





The Pew Charitable Trusts / Research & Analysis / Stateline / Taxing by the Mile, Not the Gallon

#### **STATELINE**

#### Taxing by the Mile, Not the Gallon

November 05, 2015 | By Elaine S. Povich



Evan Burroughs shows where the mileage tracker device goes in his 1996 Subaru Outback. Burroughs and other Oregonians have volunteered for the state's experiment with a road usage tax, which could replace the per-gallon gas tax someday.

SALEM, Oregon—Evan Burroughs plopped into his 1996 Subaru Outback and pointed to a green plastic box tucked below the steering column. It blinked once. As Burroughs eased the car out of the parking lot and drove toward the highway, the box kept track of his speed and braking, but most importantly, of how many miles he drove.

The green box, part of a pilot program, sends the data to a private contractor like a GPS device manufacturer, which reports the miles to Oregon, which calculates Burroughs' tax bill—1.5 cents per mile.

As revenue from the standard per gallon gas tax diminishes, states are looking for other ways to pay for the construction and maintenance of roads and bridges. California recently authorized its own mileage tax pilot project, Between 2008 and 2014, at least 19 states considered 55 measures related to mileage-based fees, according to the National Conference of State Legislatures.



FIVE BEST IDEAS of the DAY

#### **Volunteer Feedback**

Bill appreciates

"the good customer service and follow up." "Hi, I wanted to let you know that from my perspective, using the Azuga service as part of ORe GO, the transition to paying by the mile has been pretty seamless. ... I also didn't realize I didn't have to save my gas receipts because Azuga could calculate the fuel used and therefore how much gas tax to refund. Glad to be a part of this – hope it yields results that are helpful to decision—makers." – Emily

Evan enjoys

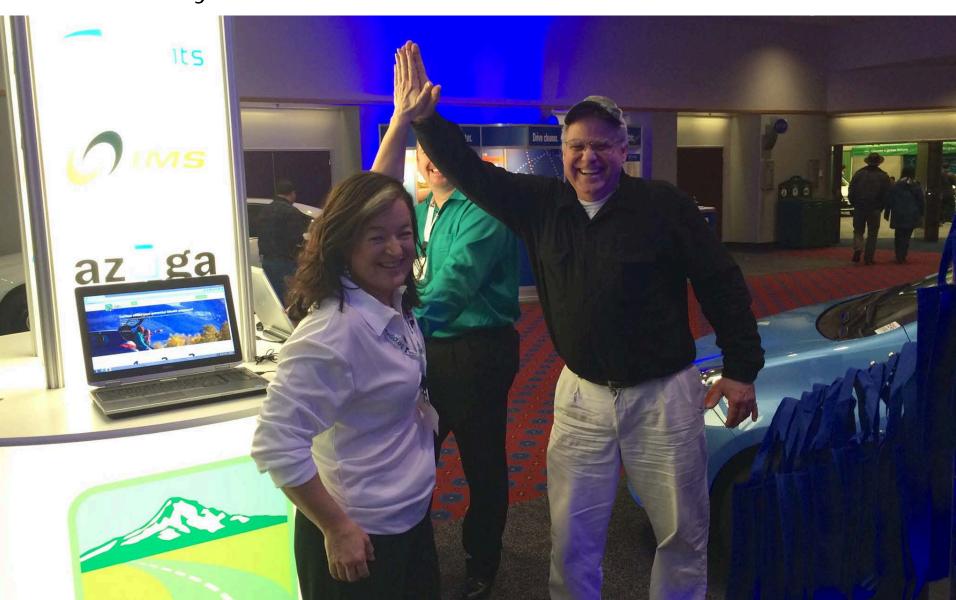
"I was part of the Sustainability Committee ... that encouraged this program to be trialed ... I want it to work!" - Victor

Evan enjoys
earning
badges. He is
having a
"very good
experience."



# **Volunteers**

Exit surveys



# The most enrolled vehicle type is a Toyota Prius, followed by an F-150 and the Subaru Outback







## Reporting - Monthly

Performance Measures

Inquiries – Resolve within two business days

Issues – Follow up at least once per week

Identify most commonly asked questions



#### Outreach

#### MyOReGO.org

Infographics

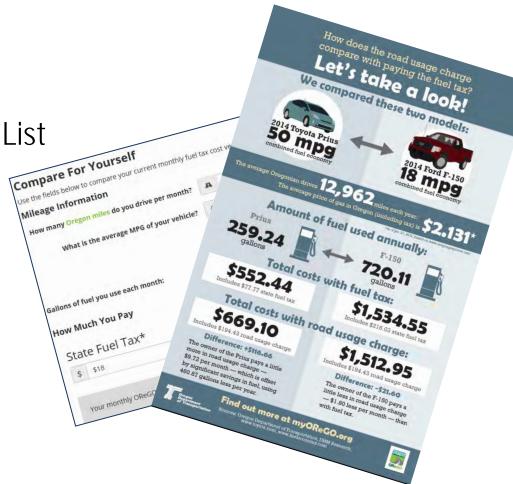
Information to Interest List

Blog

**Earned Media** 

Presentations







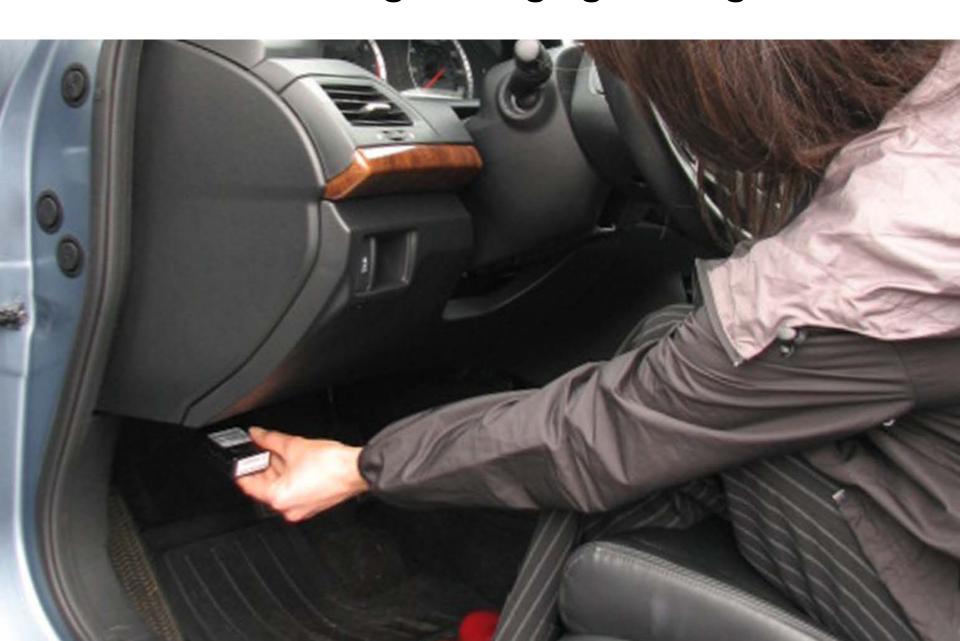
# **Oversight**

Internal Audit

Objective: Determine if ODOT has taken prudent steps to assure that mileage data collected in OReGO Program is sufficiently accurate



# Future of road usage charging in Oregon



# Planning for the Future OReGO Executive Board

Ensure it is poised as a viable revenue program

Monitor market opportunities

Reduce barriers

Further partnerships with other states

Plan for potential expansion





# **FAST Act Federal Grant Application**



Expand the Market

Increase Public Awareness

**Evaluate Compliance** 

**Explore Interoperability** 



#### Work on Interoperability

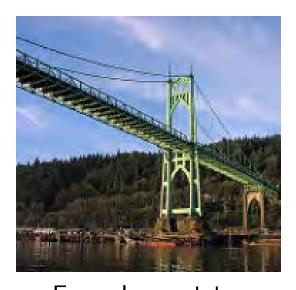
#### The Vision



One account for road usage charges, parking, and other services



Jurisdictions can collect funds accurately



Funds get to the correct jurisdiction (state, city, county, port authority, etc.)



#### The Next Stage of Development - Oregon

Strategic Plan for a mandatory road usage charge system:

What is the end state for per mile charge?

What is replaced?

Which vehicles are in the program?

What will the rate structure be?

What is the transition plan?



#### WESTERN ROAD USAGE CHARGE CONSORTIUM



#### **MEMBER STATES**

**Arizona** California Colorado Idaho Hawaii Montana Nevada **New Mexico** North Dakota Oklahoma Oregon Texas Utah Washington



